BILL ANALYSIS

S.B. 1007 By: West Higher Education Committee Report (Amended)

BACKGROUND AND PURPOSE

Currently, the TEXAS Grant program determines eligibility based on a student's final high school transcript. However, most students have already determined where and how to go to college by the time they actually graduate from high school, thereby missing the opportunity to make a fully informed decision about where to go to college in the event the student earns or could earn a TEXAS Grant. S.B. 1007 makes it possible for institutions to base their TEXAS Grant awards on a student's seventh semester transcript.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

SECTION 1. Amends Subchapter M, Chapter 56, Education Code, by adding Section 56.3041, as follows:

Sec. 56.3041. INITIAL ELIGIBILITY OF PERSON ON TRACK TO COMPLETE

RECOMMENDED OR ADVANCED CURRICULUM. (a) Provides that, if at the time an eligible institution awards TEXAS grants to initial recipients for an academic year an applicant has not completed high school or the applicant's final high school transcript is not yet available to the institution, the student is considered to have satisfied the requirements of Section 56.304(a)(2)(A) if the student's available high school transcript indicates that at the time the transcript was prepared the student was on schedule to graduate from high school and to complete the recommended or advanced high school curriculum or its equivalent, as applicable to the student, in time to be eligible for a TEXAS grant for the academic year.

(b) Authorizes the Texas Higher Education Coordinating Board (THECB) or the eligible institution to require the student to forgo or repay the amount of an initial TEXAS grant awarded to the student as described by Subsection (a) if the student fails to complete the recommended or advanced high school curriculum or its equivalent after the issuance of the available high school transcript.

(c) Authorizes a person who is required to forgo or repay the amount of an initial TEXAS grant under Subsection (b) to become eligible to receive an initial TEXAS grant under Section 56.304 by satisfying the associate degree requirement prescribed by Section 56.304(a)(2)(B) and the other applicable requirements of that section at the time the person reapplies for the grant.

(d) Authorizes a person who receives an initial TEXAS grant under Subsection (a) and is not required to forgo or repay the amount of the grant under Subsection (b) to become eligible to receive a subsequent TEXAS grant under Section 56.305 only by satisfying the associate degree requirement prescribed by Section 56.304(a)(2)(B) in addition to the

requirements of Section 56.305 at the time the person applies for the subsequent grant.

SECTION 2. Provides that the change in law made by this Act relating to the eligibility of a person to

receive a TEXAS grant applies beginning with students who demonstrate eligibility to receive a grant for the 2003-2004 academic year, to the extent TEXAS grants are awarded for that academic year after the effective date of this Act.

SECTION 3. Effective date: upon passage or September 1, 2003.

EFFECTIVE DATE

This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2003.

EXPLANATION OF AMENDMENT

Provides that an institution may use other available sources of financial aid, other than a loan, to cover any difference in the amount of a TEXAS grant an the actual amount of tuition and required fees at the institution.